Örgütsel Davranış Araştırmaları Dergisi
Journal Of Organizational Behavior Research
Cilt / Vol.: 3, Sayı / Is.: S2, Yıl/Year: 2018, Kod/ID: 81S2349
2528-9705

IDENTIFYING AND ANALYZING THE EFFECTIVE DRIVER FORCES ON THE FUTURE OF THE BANKING SYSTEM OF IRAN IN THE 20-YEAR HORIZON USING FUTURES STUDIES APPROACH; STRUCTURAL ANALYSIS AND CROSS-EFFECT ANALYSIS

Nasser HASANI

Ph.D. in Futures Studies Management.

ABSTRACT

Pre-empt identification and prioritization of the strategic components of businesses and organizations not only captures the attention of managers to the key success factors and effective issues, but also plays a significant role in the use of limited resources to reach the basic goals. For this reason, in order to avoid the shock and threatening astonishments (surprises), as well as taking advantage of the opportunities, organizations and businesses struggle to explore, analyze and interpret all the meaningful environmental stimuli through continuous observation of far and near surroundings in addition to understanding the logic behind (governing) the change. Firstly, trends and mega trends affecting the future of the banking industry have been identified in five categories by distributing the questionnaire among a sample of experts of the banking system (n = 108). Then, through the formation of expert panels consisting of experts in the banking industry, 30 key identified variables were analyzed using futures studies approaches via Micmac software. Finally, variables with the highest level of influence and dependency have been explored and consequently variables of the diversity, quality and content of banking services, changing the businesses structure of banks, virtual banking development and…. have been identified. Therefore, according to the defined objectives and nature of the study, this is an applied developmental research. In addition, the present study is a descriptive research from the survey branch in terms of data collection. From the perspective of futures studies, it is also classified as quantitative-qualitative (semi-quantitative) and exploratory research.

Keywords: *Banking System, Futures Studies, Mega Trends, Cross-Impact Analysis, Structural Analysis*

INTRODUCTION

The contemporary world systemis on the verge of tremendous transformations; a sample of which cannot be found at any juncture of human history. These global and all-embracing developments have revolutionized all dimensions and aspects of human existence so that we are witnessing an enormous gap between the past and future. Because of these changes, the approaches and methods used in today's business environments may lose their efficiency. Undoubtedly, the organizations, which close their eyes to the profound implications of modern global trends, will pay a heavy price for their negligence. Therefore, the future belongs to those organizations, which are able to design their actions with a focus on environmental changes circuit better than their rivals are. Attention to these covert and overt transformations is as same as compass that navigates the organizations' ship from the deadly chaotic storms to health (Khazaei & Mahmoudzadeh, 2013: 8). It seems that the only secure approach and policy for organizations to emancipate from the volatile and tumultuous environments of today's uncertainties is the use of principles of futurist architecture, which

Geliş tarihi/Recieved: 10.12.2017 – Kabul tarihi/Accepted: 09.02.2018 – Yayın tarihi/Published: 21.08.2018

boost the chances of success in business (Alizadeh et al., 2008). Although this effort may always lead to risk-taking behaviors, it would be more logical to accept the risk and increase our insight into the future developments (Khazaei & Mahmoudaadeh, 2013). The business is constantly changing but the pace of these developments has been rising in recent years. The owners of companies and businesses need to be aware of these changes in order to obtain readiness to maintain or achieve sustainable status and more customers that are permanent. Therefore, by adopting distinct and well-defined strategies, they are able to overcome the current challenges in the competitive market and lessen the unwanted effects While leading and capturing opportunities in the emerging transformations, few of these businesses even provide some new opportunities for their competitors (Hashemi, 2006: 36).

Organizations are continually confronted with the complexity, dynamism and a range of new challenges transformations in 21st-centuryandthe accelerated pace of change in today's world, especially in the fields of technology, information and communication, competition and the increasing desire for globalization, has faced the organizations with uncertain future. These situations require organizations, governments and businesses to have a better understanding of "applications", "changes" and "future "to make them shift toward nonlinear dynamics rather than mathematical and linear algorithms and traditional judgments. The advancement in technology and human knowledge has also affected the banking industry and Iranian banking system has experienced dramatic strategic changes over the last decades. Some of these changes, such as the development of electronic services, improved speed and quality of service delivery, as well as the whisper of the presence of foreign banks, fundamentally disrupted the deep structure of the industry. As a result, managers may be confronted with ambiguities in the adoption and selection of strategic decisions and are not able to predict future changes.

In today's economy, banks are among the most important financial and profit institutions that provide the main source of credit (funds) for millions of households, companies, institutions, public and private organizations. During recent decades, Iranian banks have experienced significant changes; Part of this change is due to the restructuring of this industry. Formation of credit institutions, presence of private banks, assignment of stock in some government banks, whisper of the presence of foreign banks, weakness of ICT development, government intervention in the banking system, lack of bank capital, excessive growth of non-bank financial institutions, phenomenon of money laundering and…. have faced the structure of this industry with various obstacles and challenges. These challenges include economic stagnation, liquidity problems, exchange rate volatility, state laws and regulations, sudden changes in interest rates, product diversification, rivals increase, customer preferences, virtualization and e-services. All of these factors negatively affected the efficiency of the banking system and its effectiveness resulting in increased uncertainty in the banking industry. According to the above descriptions, identifying drivers and future trends has been one of the main concerns of many businesses, governments and decision-making and strategic decision-making centers. The results of the studies regarding the drivers and macro trends demonstrated the dramatic impacts of these trends on the frequent issues that exist in human's life (Bushehri & Nazarizadeh, 2009). Neglecting the future and ignoring changes in the external environment can be highlighted by major organizations. Major corporations such as IBM, GM, Sears, and CBS all failed to anticipate dramatic external shifts, and have faced the unanticipated checkmate (Ashley & Morrison, 1996). The fact is that business planning for the

future based on the current needs and existing service shortcomings cannot build up a successful presence in the future world. In addition, in order to play a role in the future, it is necessary for business to make better use of the scenario-planning tool, drivers for development, future developments based on Mega Trends and discontinuous trends by relying on new planning approaches (Malekifar, 2006 And plan for a successful future in line with the capabilities of the community by looking at the current challenging and future challenges. (Alizadeh, 2008).

As a result, it is incumbent upon planners and policy makers to identify and analyze the important mega trends affecting the future of the banking industry. Furthermore, considering the status of the global community, impact of developments made in science and technology, political, economic, social, and environmental mega trends on the future of the banking industry, addressing the issue of extrapolation and mega trends is inevitable. Therefore, it should be known what actions and reactions banks would face with. Will they succeed in the future? Or, will their programs fail? How can banks provide certain environmental conditions among hard rivals with future manipulation? ' In answering these crucial questions, we acknowledge that the future is full of uncertainty and instability; even the most reasonable plans can deviate from their correct path. We may encounter unexpected events (marvelous) in moving to a dynamic future. However, using the foresight perspective, the man is able to explore/ analyze the future with his capable mind, model simple relationships and patterns governing the environmental behavior. Further, while abandoning traditional approaches and detecting weak management signals, he can design and invent a range of scenarios tailored with environmental changes and predict their compliance with systemic approaches (Khazaee &Mahmoudzadeh, 2013: 10). Foresight has always been one of the concerns of managers in the banking industry in the field of strategic management. The main question is what extent the senior managers can make use of this important approach and strategy in a reasonable way. Additionally, as the external environment of this industry is constantly changing and the managers are adequately aware of the direct impact of these changes and strategies, as well as predicting the futures is not very easy; thus, the application of foresight approach can partially mitigate these shortcomings and limitations. Therefore, this research seeks to identify the factors, trends and macro trends affecting the future of the banking system as well as the analysis of the effects of these factors on each other and categorize them as a small attempt in the direction of pre-planning in the banking system.

Research objectives

Main objective:

- Analyzing the key and significant Mega trends affecting the future of banking system in 20-year horizon using future studies approach

Secondary objectives:

- Identifying the effective drivers of Iranian banking system in the 20-year horizon using future studies approach
- Investigating the impact and effect of key trends of Iranian banking system in the 20-year horizon using future studies approach
- Identifying strategic trends affecting the future of Iranian banking system in the 20-year horizon using future studies approach

THEORETICAL FOUNDATIONS

Foresight

Looking to the future with a clear vision has always been one of the main issues of organizations and identifying the factors affecting the future awareness about the performance of the organization and its external environment has provided the necessary knowledge on the probable future and the ways to achieve it. Foresight is generally described as a set of scientific and experimental methods of understanding the future (Khazaee & Mahmoodzadeh, 2013: 28). In addition, it refers to science and art to shape the preferable futures, analyze the probable futures and exploratory search for the possible; Futures have reliable and undeniable link to values, beliefs, myths, and metaphors (United Nations Industrial Development Organization, Translated by Khazaee & Mahmoudzadeh, 7).

Foresight objectives

The goal of foresight activities is to encourage better decisions to facilitate forward thinking and increase readiness for change. (Jorgensen & Buckley, 2004: 12). One of the most important contributions of futurists is the promotion of foresight thinking in societies. Using this thinking, they do not only provide the welfare of the present generation, but also play an effective role in the well-being of future generations (Bell, Translated by Taghavi & Mohaghegh, 2013: 159).

Foresight approaches

There are many different ways to conduct foresight exercises (Mardukhi, 2012: 57-58). In addition, there are different ways of classifying foresight studies. They include foresight -based views (model analysts, observers, etc.), or vision-based views (short-term prospective versus long-term prospective), qualitative versus quantitative models, extrapolation versus normative and so on (Asacol, translated by Khazaei, 2005: 2). In what follows, we refer to the two important classifications.

Exploratory and normative methods

Exploratory methods ("outward bound") begin with the present time as a starting point and move forward to the future whereas normative methods ("inward bound") start with a view of possible futures asking what trends and events would take us there (Foren, 2001:1). The difference is that exploratory methods look at the future on the basis of past and present, whereas normative methods look the desirable future in order to plan for the present (Mardokhi, 2012: 65-66).

Quantitative and qualitative methods

Quantitative methods are based on mathematics and use precise measurements and equations. Quantitative methods rely on a set of real data or like some modeling and game applications; they are based on hypothetical data and non-hypothetical assumptions. These data and assumptions are often represented in a purely mathematical form. However, qualitative methods do not use the numerical measures at any level and rarely represent their results based on statistical analyzes. In other words, qualitative methods rely on empirical truths from the past and present conditions to analyze the respondents' ideas about the future on the one hand and consider their illuminative, intuitional and hypothetical understandings on the other hand. For better understanding of futures studies, it is better to categorize them in a continuum spectrum rather than divide them into two quantitative and qualitative categories (at one end of them spectrum lies pure qualitative research method and at the other lies pure quantitative

research method). The majority of methods focused on quantification to a limited extent (Bell (2013), translated by Taghavi &Mohaghegh, 434-435).

A Brief overview of foresight methods used in research

Regarding the number of methods available in forward-looking activities, a brief explanation is given of two methods of cross-analysis, impact matrices and structural analysis that have been considered and used in this research.

1. Cross-impact analysis and impact matrix analysis

Cross-impact analysis refers to the methods that help us to see how different trends and functions affect each other and how are relationships between systems' variables. This method, which sometimes called structural analysis, is also useful for identifying relationships between trends, variables, and behaviors (Tishehyar, 2011: 162). In the past thirty years, impact matrices have become one of the most commonly used futures' research tools. These matrices, which aimed at analyzing systems and their dynamics, can be divided into three categories: structural analysis, actors' strategies, and probabilistic cross-impact matrix (Arcade et al., N. d: 2). Additionally, Trend Impact Analysis (TIA) is a systematic tool for integrating extrapolation that provides judgments about future probable events and their effects (Taghva & Alizadeh, 2006: 89).

2. Structural analysis

Structural analysis is a tool designed to link ideas. This method describes the system using the matrix that relates all its constitutive elements together and thus underlines the variables that are essential to the system's evolution. It is also used to analyze the characteristics of extremely different

systems. The system under study comes in the form of a group of interrelated elements (variables/factors) (Arcade et al., N.d: 6).

The structure of relations is represented through variables hierarchies according to the influence that an element plays on the rest of them (activity) and the influence that elements receives from the rest (dependency) (Ambrosio et al., 2009:4). The network relationships between elements represents their dynamism and remains constant. A structural analysis, which aimed to clarify this structure, consists of three steps:

Variables / Factors

This step includes a list of factors that describes the system under study as well as its internal and external environment (Godet et al., 2003: 60). In addition, it has minimum formalization and plays a decisive role for the rest of the process.

Describing the relationships between the variables

The second step includes linking and describing the interconnected network between the variables. (Arcade et al., N.d: 6). Usually, expert judgment is used to evaluate the impact of each variable on another and as a result, a matrix is formed in which its elements represent the effect of each variable on another (Giorgio et al., Translated by Monzavie, 2012: 97). The cells of the matrix would be filled through a qualitative process. For n factor, n × n-1 questions are raised. For each pair of factors, the following questions arise: Is there any relationship of direct influence between the j and I? (Godet et al., 2003: 61).

Identifying main variables

The final step involves identifying the key variables and factors in global system dynamics (Arcade et al., n.d:6). This step involves identifying and re-rating key factors that are essential

for system evolution. Comparing ranking of the factors through various categories (direct, indirect, and potential) provides a rich source of information. The results can be expressed through a two-dimensional diagram in which x-axis represents the value of dependency and y-axis represents the value of impact. In addition, it is also possible to determine the most effective factors in the system and examine other roles of these factors (Godet et al., 2003: 61).

METHODOLOGY

The research method from the perspective of the target and the collection of information:

In general, research methods in behavioral sciences can be categorized based on two criteria: a) research objective; b) data collection method. Therefore, according to the research objectives this research is an applied developmental research. In addition, this study is mixture of data collection. The present study from the perspective of collecting data is a descriptive study from the survey branch. For gathering literature of the research the articles, reports and various books were used. Using these resources, a description of the topic is presented. Sincein this study for collecting data structural analysis, cross impact analysis and trend analysis methods were utilized, from the perspective of forthcoming it is classified as quantitative-qualitative (semi-quantitative) and exploratory research. The trends affecting the future of the banking industry have been identified through library studies and have been embedded into the elements of cross interaction matrix after verifying the validity and reliability of dimensions. Then, by completing the interaction matrix through the panel of experts, using the qualitative data analysis tool (structural analysis method), the data extracted from the experts' votes are analyzed and evaluated. (structural analysis method).

Population and statistical sample of research:

The statistical sample of this research in the quantitative section includes a set of experts and specialists in the banking industry, who had a futuristic and strategic vision. Those experts and specialists were 108 people and selected through simple random sampling. In the qualitative section, the study population included 12 specialized experts in the relevant field which were selected via The 'judgmental, purposeful and available sampling method. The mentioned sampling technique has been used based on the population and required data.

Procedure

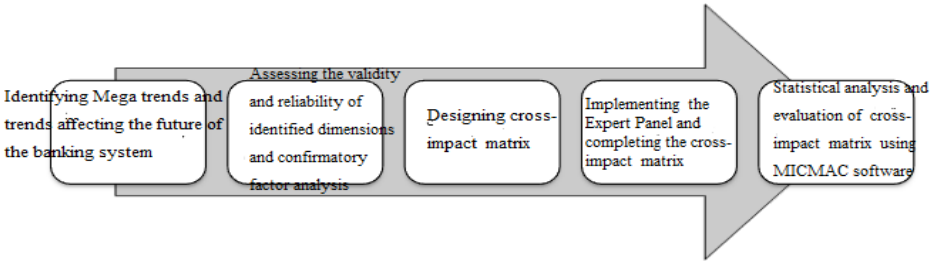

Figure 1: Research procedure

DATA ANALYSIS AND RESULTS

At first, questionnaires containing the research dimensions and factors were distributed among 108 managers, experts and specialized academics in banking. They were asked to complete the

questionnaire items based on the 5-point Likert scale and determine the impact of each trend on the future of the Iranian banking industry in 10 to 20-year horizon based on the options (very high, high, moderate, low and very low). The data were entered the software and then Cronbach's alpha coefficient and compound reliability for each dimension in the questionnaire as well as for the total questions were calculated and then analyzed using Smart PLS software, factor load coefficients, AVE and AVE coefficients root.

To evaluate the relationships between the variables of conceptual model, the data were quantitatively collected using the questionnaire items. The questionnaire consisted of 5 sections, 30 items and was rated based on the 5-point Likert scale (very high, high, moderate, low and very low).

Table 1: Structures, dimensions and items used in the research

Main research structures	Number of items
social factors	5
Technology factors	4
Economic factors	9
Political and legal factors	6
Factors Related to the Banking Industry	6

Cronbach's alpha coefficient, composite reliability index (CR) and also two variables of convergent validity index (AVE) and Divergent Validity (square root of AVE) were used to assess the reliability of the questionnaire.

Model Reliability

Composite reliability and alpha Cronbach coefficient were used to measure the model reliability. Cronbach's alpha represents the ability of questions to properly explain their own dimensions.

In addition, the combined reliability coefficient determines the correlation of the questions of one dimension to each other to adequately fit the measurement models.

Table 2: Research structures reliability

structure	Cronbach's alpha	compound reliability
Social factors	0.855	0.896
Technology factors	0.867	0.889
Economic factors	0.820	0.853
Political and legal factors	0.807	0.844
Factors Related to the Banking Industry	0.874	0.901

As it is shown in the above table, the values of Cronbach Alpha coefficient and compound reliability of each structure is higher than the acceptable level; therefore, the research structures have a desirable reliability. Since the higher Cronbach alpha and the reliability of 0.7 represent the fit of the model, the results of this study confirm the appropriateness of fitting about these two criteria.

Models' convergent and divergent validity

The validity of the questionnaire was assessed using two convergent and divergent validity specific for structural equation modeling. Convergent validity refers to the ability of one dimension to explain that dimension; on the other hand, divergent validity represents the high

correlation between the research model structures with their items rather than other structures (Hulland, 1999). Meanwhile, the average variance extracted (AVE) for first-order factor was used to evaluate the convergent validity. The results have been shown in Table 3:

Table 3: Value of (AVE)research structures

structure	Factors Related to the Banking Industry	Political and legal factors	Technology factors	Economic factors	Social factors
AVE	0.852	0.691	0.539	0.839	0.437

The average extracted variance (AVE) analysis shows that the AVE value of all structures are greater than the acceptable level (0.5); therefore, all the structures of this study have a desirable convergent validity. For divergent validity, the difference between the indices of a construct and other constructs of the model is analyzed. This difference is calculated by comparing the AVE value of each construct with the correlation coefficients value between the structures. If the structures are more correlated with their own indexes than with other structures, then the model has a desirable divergent validity. For doing this, we need to draw a matrix whose original diameter values represent the square root of AVE for each structure and the lower values of the original diameter represent the correlation coefficients between each structure and another. Table 4 displays the matrix.

Table 4: Divergent validity measurement matrix

	Factors Related to the Banking Industry	Political and legal factors	Technology factors	Economic factors	Social factors
Factors Related to the Banking Industry	0.923				
Political and legal factors	0.444	0.831			
Technology factors	0.484	0.319	0.734		
Economic factors	0.624	0.472	0.457	0.915	
Social factors	0.532	0.399	0.420	0.502	0.661

Confirmatory Factor Analysis

Data were analyzed using structural equation modeling via Smart PLS software. First, the original model was drawn with all the details. Then the factor loadings of all compounds were measured for evaluating the goodness of fit model. It was found that the load factor coefficientsof all questions and relationships are higher than the acceptable level (0.4) (Hulland, 1999), which indicates the use of desirable criteria. Second, t-value was utilized for analyzing the goodness of fit model and their interrelationships. According to the Figure 3, t coefficient of the model is greater than 1/96, showing the verification and significance of the relationship between the structures and therefore, it can be concluded that the first and second hypothesis of the study were confirmed at 95% confidence level. Bootstrapping command of Smart PLS Software was used to confirm the verification of the relationships between the variables showing the output of t coefficients. As the absolute value of t is greater than1.96, we can conclude that the relevant parameter is significant and therefore the research hypothesis is confirmed (Vinzi et al., 2010). However, it should be noted that t-values only indicate the verification of the relationships and cannot be used to measure the intensity of the relationship between structures (Davarie, Reza Zadeh, 2013, p. 90).

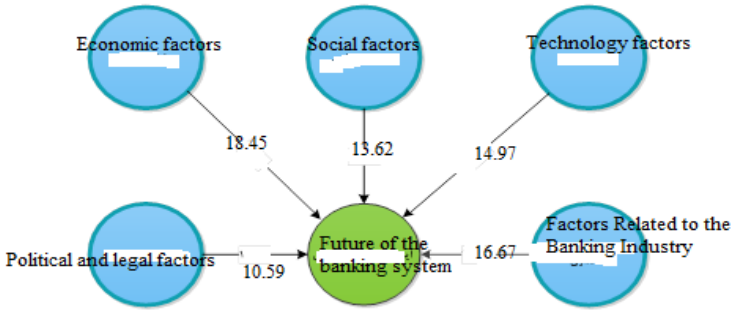

Figure 2: Standard coefficients of research model

After identifying key factors affecting the future of banking industry, a list of the above-mentioned factors were given to 12 experts and specialists in foresight and banking industry. While confirming the factors, other factors were added to the list. Finally, all factors were categorized in a 5-dimensional template to form the final dimensions as follows.

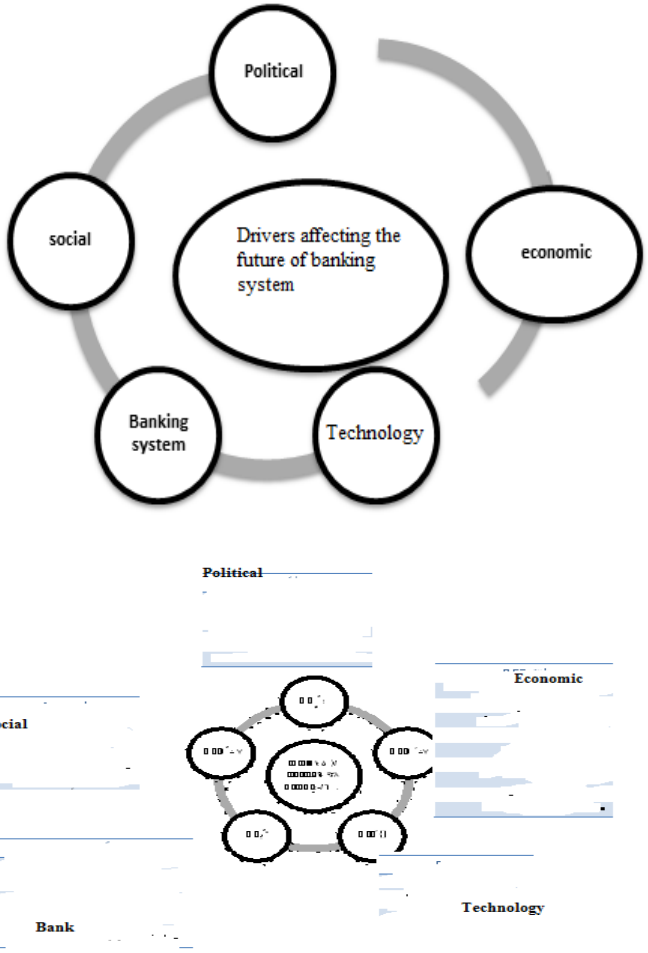

Figure 3: Mega trends and factors affecting the future of the industry

Bank

- Agility of the organization in promoting activities
- Professional knowledge of employees
- Changing the business structure of banks
- Diversification, quality and content of banking services
- Internal control system

Internal control system

Political

- National Security
- International Relations
- Join the World Trade Organization
- foreign banks
- Government tax laws and policies

National Security
Presence of foreign bank

Social

Globalization

General level of education

Tourism development

Management capability

Public trust level

Technology

- Network security
- Customer Information Security
- Development of Virtual Banking
- Electronic-government

Economic

- Foreign investment
- Economic status of Iran and the region
- Improving the business environment
- Exchange rate
- Inflation
- Interest rate
- Oil price
- Export policies
- Islamic banking laws

Initial analysis of data collected from cross – impact matrix

In this step, the cross – impact matrix was completed using the Structural Analysis / Interaction method, which is one of the semi-quantitative (quantitative / qualitative) methods of future studies by forming a panel of 12 experts. The dimensions of matrix were 30 × 30. The experts expressed their judgment on the impact of each factor in row on all factors in numbers 0 to 3, (0 = no impact, 1 = low impact, 2 = medium impact and 3 = high impact). Each comment of expert was located in each cell. The sum of the numbers in each row is the sum of the active cell and the sum of the data for each column is the passive cell. The cross-impact matrix between the key factors was completed by forming a panel and then, the matrix data were entered into MicMac software. The resulting factors of matrix analysis and the distribution of variables in the graph (around diameter) show the high and diffuse impact of the factors on each other; in fact, the system is in a state of unstable equilibrium. On the other hand, based on statistical indices, the matrix has a utility with two spins and an optimization (100%), indicating the high validity of the matrix and its responses.

Table 5: Initial analysis of cross-impact matrix data (structural analysis)

Index	Value
Matrix size	30
Number of spins	2
Number of zero	389
Number of one	293
Number of two	133
Number of three	92

Influence and dependency of trends on each other

The next output of the software is the ranking of the influence and dependency of the trends based on the sum, active and passive ones.

Table 6: Effect and impact of variables - MicMac software output

	Factors affecting the future of the banking system	Direct effect	Variables impacting on the future of the banking system	Direct impact
1	Diversity, Quality and Content of Banking Services	562	Improving the business environment	550
2	Improving the business environment	562	Diversity, Quality and Content of Banking Services	538
3	Changing the structure of the banks business	538	interest rate	526
4	Inflation rate	502	Inflation rate	526
5	Organizational agility in promoting activities	491	Changing the structure of the banks business	526
6	Interest rate	479	Organizational agility in promoting activities	514
7	Foreign investment	455	Virtual Banking Development	443
8	Virtual Banking Development	443	Foreign investment	419
9	International relations	419	Joining the World Trade Organization	407
10	Export Policies	419	International relations	395
11	Joining the World Trade Organization	371	Export Policies	395
12	Ease use of banking systems	359	Presence of foreign banks	359
13	Presence of foreign banks	347	exchange rate	359
14	exchange rate	347	Ease use of banking systems	359
15	Political stability of Iran and the region	335	Political stability of Iran and the region	323
16	Network security	311	Network security	299
17	Economic status of Iran and the region	299	Economic status of Iran and the region	287
18	Public trust level	287	Public trust level	275
19	National security	263	National security	275
20	Customer information security	263	Employees' professional knowledge	275
21	Management empowerment	239	Customer information security	275
22	Employees' professional knowledge	227	Government Tax Laws and Policies	227
23	Government Tax Laws and Policies	227	Management empowerment	215
24	Internal control system	215	Internal control system	215
25	Oil price	215	Islamic Banking Laws	215
26	Tourism development	203	Oil price	203
27	Islamic Banking Laws	179	Tourism development	191

28	Electronic-government	167	Electronic-government	167
29	Globalization	143	Public level of education	119
30	Public level of education	119	Globalization	107

System analysis

The ultimate goal of structural analysis is to identify the characteristics, structure, key variables and the most important elements affecting the system. In the cross-impact matrix, the sum of the numbers in the row for each variable is the sum of the active sum showing its effect. In addition, the sum of the numbers in the column represents the total active and inactive sums and finally the dependency of the factor. The distribution of variables within the dispersion indicates the stability or instability of the studied system. In the methodology and MicMac software analysis sections, two kinds of dispersion are defined showing that the system is either stable or unstable. In a stable system, L letter in English shows the distribution of variables; however, the situation is more complicated in unstable systems. And the factors are located around the central diameter of the dispersion demonstrating the intermediate state of effect and dependency, which makes it difficult to assess and identify the underlying factors. The following figure shows the dispersion of the variables affecting the future of the banking system. The system is unstable and many variables are scattered around the main axis of the dispersion.

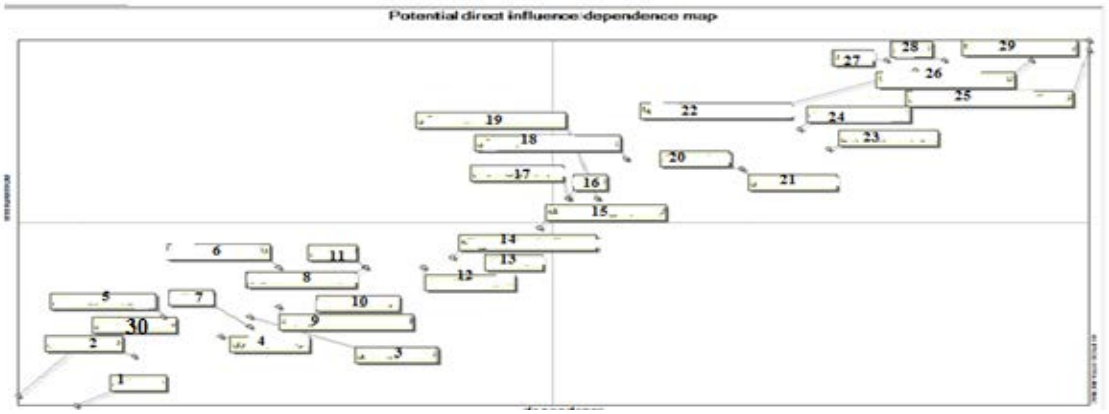

Figure 4: Distribution of variables in terms of the influence and dependency of MicMac software

1.Globalization	4. Tourism development	7. Oil price	10. Management empowerment	13. Network security	16. Interest rate	19. Ease use of banking systems	22. Organizational agility in promoting activities	25. Diversity, Quality and Content of Banking Services	28. Inflation rate
2. Electronic-government	5. Islamic Banking Laws	8. Customer information security	11. National security	14. Economic status of Iran and the region	17. Presence of foreign banks	20. International relations	23. Foreign investment	26. Changing the structure of the banks business	29. Improving the business environment

3. Internal control system	6. Employees' professional knowledge	9. Government Tax Laws and Policies	12. Public trust level	15. Political stability of Iran and the region	18. Joining the World Trade Organization	21. Export Policies	24. Virtual Banking Development	27. Interest rate	30. Public level of education

Identifying strategic variables in the diagram

Strategic variables refer to those variables that can be manipulated and affect the systems' dynamism and change. Hence, variables with a very high but uncontrollable impact cannot be considered strategic variable. The first step in finding strategic variables is to compare influential and dependent variables based on their rankings. Accordingly, if the number of repetitive variables in the most influential and most dependent variables were high, the system has a number of strategic variables that can facilitate the control and guidance of the system. On the contrary, if the number of repetitive variables in the influential and dependent variables column were low, the key players cannot control the system. The studied system is a second type study. The following table shows the most influential and dependent variables. If there is a diagram with variables in a coordinate, variables located in region 2 have the same situation and, therefore, it is hardly possible for planners to change these variables.

The variables located in the third region of the coordinate grid, as they are in the specific form, have very low influence and dependency in the system and cannot be considered as a strategic variable. Variables in region 4 cannot be considered strategic due to their strong dependency on other variables. The strategic variables are the result of other variables. However, the variables in region 1 of coordinate are strategic, because they can be controlled by the management system and have an acceptable impact on the system. In fact, as the region 3 approaches the end of the coordinate, the importance and strategic nature of the variable is increased. Table 7 shows the list of strategic variables affecting the future of the banking industry.

Table 7: Strategic factors affecting the future of banking industry

	Strategic variables affecting the future of the banking system
1	Diversity, quality and content of banking services
2	Improving the business environment
3	Changing the structure of business
4	Inflation rate
5	Interest rate
6	Export policies
7	Virtual banking development
8	Foreign investment

CONCLUSION

Both strategic management and foresight concepts describe the complexities and dynamics resulting from the organizational environments and managers' requirements to make decisions in such environments. A brief look into the role of future in design and decision making procedures reveals that identifying the trends and environmental megatrends can play an

important role in the planning process based on the foresight and its important in strategic management and planning. In strategic planning process, time and uncertainty play an important role. Unpredictable environmental changes have excluded industries from the competing environments and failed them to anticipate the future. In addition, they face with new technologies, products and markets in unpredictable ways and new developed strategies will lose their effectiveness and cannot meet different needs of organizations in such a dynamic and volatile environment. These pressures is expected to continue into the future, because technological, economic and social transformations are rising. It is clear that the future is not predictable. However, the important point is that organizations are able to prepare themselves to cope with it and this may create a competitive advantage for them. An increase in uncertainties will lead to improved competitive advantage for organizations, which have developed sustainable and resilient strategies against these changes. One of the influential approaches for achieving successful planning in uncertain situations is the application of foresight approach to track and analyze trends and Mega trends affecting the studied issue. This study provides an opportunity to address trends analysis and Mega trends affecting the future of the banking system in the country. So far, too little attention has been paid to the issue at national level. Since the current state of the country's banking industry and the business environment isn't perfect, it is necessary to take some measures to improve the situation through raising the awareness of the conditions. In order to gain an informed perspective on the future and to develop strategic and advance planning in the banking industry, it seems necessary to identify, analyze and understand the drivers, megatrends and trends affecting the future of industry. Our world is changing rapidly. Technological and industrial changes, and subsequently transformations in other aspects of life, increased interdependence among the nations, accelerated pace of decentralization among the societies and institutions due to the development of information technology, growing desire for globalization along with the safeguarding national, ethnic and cultural features and many other factors necessitated businesses as well as organizations and institutions involved in decision making to gain a better understanding of "changes" and "future."In fact, the application of foresight and its outcomes in long-term strategic planning, and even medium-term and short-term planning, helps us to actively move forward and build the future through acquiring situation awareness. The study was intended to identify the drivers and key trends affecting the future of the banking industry and analyze the trends and mega trends using cross- impact analysis and structural analysis method. Furthermore, determining the trends and megatrends trends, as well as taking advantage of the opinions of specialized experts in the banking industry through MicMac software, the studied variables such as diversity, quality and content of banking services, improving business environment, changing the business structure of banks, interest rate, export policies, virtual banking development and foreign investment have been identified as strategic variables affecting the current unstable system. In other words, the results of this study make noteworthy contributions to the scenario planning approach; thus, in order to generalize the results, it is recommended to take some measures to explore possible future scenarios and develop long-term and mid-term plans for a successful presence in today's competitive market

References

Alizadeh, Aziz (2008). Scenarios: The best way to deal with the future. Tehran: Andishkadeh Vahid.

Alizadeh, Aziz, Vahidi Motlagh, Vahid and Nazemi, Amir (2008). Scenario Planning. Tehran: Institute of Energy Studies.

Ambrosio, A., Lozano, M., & Hernandez, p. (2009). Prospective structural analysis: an application to rural development strategies, The 83rd annual conference of the agricultural economics society Dublin.

Arcade, J., Godet, M., Francis, M., & Fabrice, R. Structural analysis with the MICMAC method & Actors' strategy with MACTOR method, Futures research methodology v2, AC/UNU Millennium project.

Asacol, P (2005). Future Studies Methods. Translation: Saeed Khazaee, Defense Research Educational Institute, Center for Future Studies in Defense Science and Technology, Vice-President of Information and Scientific Services.

Ashley, W.L. & Morrison, J. L. (1996). Anticipatory management tools for the 21ST century. The Futures Research Quarterly, 12 (2), 35-49.

Bell, Wendell (2013). Foresight Fundamentals: History, Objectives and Knowledge. Translation: Mostafa Taghavi and Mohsen Mohaqiq, Tehran: Defense Research and Development Institute, Center for Future Studies in Defense Science and Technology.

Boushehri, Alireza and Nazarizadeh, Farhad (2009). Strategic Global Strategies for Defense and Defense Industries. Tehran: Future Studies Center for Defense Science and Technology at the Defense Research and Research Institute.

Davari Ali; Rezazadeh, Arash (2013). Modeling and Structural Equations using PLS Software, Tehran: Publishing Co. Jihad University

FOREN (Foresight for Regional Development Network). (2001). A Practical Guide to Regional Foresight, European commission research directorate general, STRATA Programme, European Communities.

Godet, A. J., Meunier, M. F., & Roubelat, F. (2003). "Structural analysis with the MICMAC method & actors' strategy with MACTOR method", AC/UNU Millennium Project: Futures Research Methodology-V2., AC/UNU, Washington, DC

Hashemi, Hamid (2006). The Future of Business. The Prospectus for Growth and Technology, Volume 2, No. 7, pp. 36-48.

Hulland, J. (1999). 'Use of partial least squares (PLS) in strategic management research: A review of four recent studies. Strategic Management Journal, 20(2), 195–204.

Jorgensen, B. H., & Buckley, c. (2004). Technology foresight and cleaner production in a highly polluted industrial area, Denmark, Roskilde, Riso National Laboratory.

Khazaee, Saeed and Mahmoudzadeh, Amir (2013). Future Studies. Isfahan: Alam Afarin Publications.

Malekifar, Aqil (2006). Future Studies Principles. Tehran: Institute for Defense Studies and Research, Center for Future Studies in Science and Technology for Defense, Industry and Technology Institute.

Mardukhi, Bayazid (2012). Foresight psychology. Tehran: Ney Publication.

Taghva, Mohammad Reza and Alizadeh, Yasser (2006). Technique Impact Analysis (TIA), the cross-point of quantitative and qualitative prediction techniques (a case of energy futures studies). Quarterly Journal of Energy Economics, Vol. 3, No. 11, 84-106.

Tishehyar, Mandana (2011). Future Studies in Strategic Studies. Tehran: Strategic Studies Research Center.

Vinzi, V. E., Trinchera, L., & Amato, S. (2010). PLS path modeling: from foundations to recent developments and open issues for model assessment and improvement. Handbook of Partial Least Squares, 47-82.